## For High Protein (A241QT) Buyer's Call

# Optimum Quality Grains, L.L.C. Agreement to Grow Optimum® Soybeans and Limited License for Patents and Trade Secrets

THIS AGREEM!	ENT is made this	day of		19 betw	een	
	(	hereinafter "GRO	WER") and Optim	rum Quality Grains,	L.L.C. (hereir	after "OPTIMUM").
			ledgeable in the but	siness practices invo	lved in the cul	tivation of soybeans and
business transacti	ions involving soybe	ens.				
ርደብህ <b>ሃ</b> ዩዩ 20200	s to grow	acres of	A241OT ("High P	ratein'') sovbeans.		
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The High Protein license to use the	soybeans are referre OPTIMUM SOYBE	d to as the ("OP" ANS to produce	FIMUM SOYBEA an identity preserv	NS"). GROWER un ed grain (the "OPTI	der this Agree MUM GRAIN	ement is granted a limite (°),
PRICE:						
The base price sh	all be the CBOT price	e when the mark	et is open and trad	ing for the month of	delivery using	the following schedule:
	Delivery Month:	December	January	February	March	April
	Option Month:	January	March	March	May	May
All OPTIMUM C	IRAIN must be price April 15th 1999.	d by April 15th	1999. Any OPTIN	IUM GRAIN not pri	ced by April	15th will be priced on the
The Premium sha	ill be \$1.00 per bush:	I of OPTIMUM	GRAIN from High	Protein OPTIMUM	SOYBEANS	
GROWER agrees	to use the			<in< td=""><td>sent elevator i</td><td>name and location&gt;</td></in<>	sent elevator i	name and location>
(hereinafter "ELE	VATOR") to establi	efer pricing bey	and the date when	pay GROWER base the OPTIMUM GI	price plus pr	emium after delivery is ered, then GROWER
DELIVERY:						
Delivery occurs v charges to be paid		A241QT GRAII	N is picked up on f	arm at the direction o	of the ELEVA	TOR; transportation
The delivery period ELEVATOR shall	od shall be Decembe    provide a one week	r 1998 through preadvice of the	May, 1999, Delive requested delivery	ry shall be at the req /.	uesi of the bu	yer (buyer's call). The
In the event that ( on all priced bush	OPTIMUM requires tells at a rate of one-te	an extension in the enth of a cent per	ne delivery period l bushel per day fro	ocyond May 31, 1999 m May 31, 1999 und	9, the GROW il the OPTIM	ER will be compensated UM GRAIN is called.
QUALITY SPEC	CIFICATIONS:					
The OPTIMUM (	GRAIN shall meet th	e following phys	ical quality specifi	cations or be subject	to ELEVATO	R discounts:
Moistur	re	13.0%				
Maximi	um Splits	10.0%				
Maxim	um Total damaged	0.5%	greater than 0.059	subject to no prem	ıum	
Maximi	um Heat damaged			subject to no premiu	ותו	
Maximi	um Foreign material um Soybeans of othe		e Company than 2 044	enhiect to so premi	arm.	
Maximi	rur poadcerie di orige	T LYDES 2.076	Breater man 4.070	sander in no brenni		

Destination weights and grades shall govern with the exception that GROWER has the right to appeal any grading by submitting a sample to the Federal Grain Inspection Service (FGIS), at GROWER's expense, for an official grade.

OPTIMUM GRAIN must be of food grade quality. Food grade quality soybeans must be free of other types of grain, dirt and stain and not contain excess broken or damaged soybeans. Dirt on the seed coat makes the soybeans unusable for food grade products.

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The condition of food grade soybeans must be such that, if cleaned with normal seed cleaning equipment, the final product will have a high quality appearance.

If the OPTIMUM GRAIN is contaminated or does not meet the physical or food grade quality specifications above, ELEVATOR will take receipt of the OPTIMUM GRAIN and the GROWER will receive CBOT price less market scale of discounts but no premium for the contaminated or out of specification OPTIMUM GRAIN.

### **GENERAL TERMS:**

GROWER will obtain seed from a sales representative of Pioneer Hi-Bred International, Inc. or Cenex/Land O'Lakes. GROWER shall return to seed supplier any OPTIMUM SOYBEANS not used in planting for production of OPTIMUM GRAIN. All returned OPTIMUM SOYBEANS must be in good and merchantable condition. In the event there is a shortage of seed then OPTIMUM, in its sole discretion, may void this Agreement. If replanting is necessary, GROWER agrees to replant with the same variety, A241QT.

GROWER will preserve the identity of the OPTIMUM SOYBEANS from planting through delivery of the OPTIMUM GRAIN. GROWER agrees to use reasonable effort to prevent access of third parties to OPTIMUM SOYBEANS.

GROWER grants OPTIMUM and its designees free and easy access to the fields and grain storage facilities used in the production of the OPTIMUM GRAIN to inspect, evaluate and monitor the progress and condition of the crop and grain. GROWER agrees to provide a representative sample of its OPTIMUM GRAIN upon request. OPTIMUM will provide bags and sample shipping instructions to the GROWER. OPTIMUM or its representatives shall have the right to sample bins of OPTIMUM GRAIN prior to delivery.

In addition DUPONT is offering GROWER profit incentives that could include additional premiums for utilizing DUPONT crop protection chemicals. Please contact your local DUPONT representative for more details or call toll free 1-888-6-DUPONT for additional information on these incentives.

For production on land owned by a party other than the grower and with a crop share arrangement, the landlord's name and address shall be indicated below.



## LIMITED LICENSE FOR PATENTS AND TRADE SECRETS:

The High Protein OPTIMUM SOYBEANS obtained by GROWER under this Agreement contain valuable trade secrets pertaining to High Protein quality traits that are proprietary to OPTIMUM (the "Protein Trade Secrets"). In addition, certain patents are pending with respect to High Protein OPTIMUM SOYBEANS (the "Pending Protein Patents").

OPTIMUM hereby grants a license to GROWER, subject to the Restrictions (as defined below), to use the Protein Trade Secrets and any Pending Protein Patents that issue prior to the expiration of this license to the extent necessary to grow the High Protein OPTIMUM SOYBEANS as provided in this Agreement. This license shall automatically terminate upon the earlier of delivery of the OPTIMUM GRAIN and August 31, 1999.

The license granted hereunder is subject to the following restrictions (the "Restrictions"):

- 1. GROWER may not use any OPTIMUM SOYBEAN or material directly or indirectly derived therefrom for breeding, research, seed production, reverse engineering or analysis of the genetic makeup thereof;
- GROWER may not sell, transfer, give or supply, directly or indirectly, any OPTIMUM GRAIN or material directly or indirectly derived therefrom unless GROWER gives notice to the recipient of the terms and conditions of this Agreement and recipient agrees to be bound by such terms and conditions:
- 3. GROWER may not sell, transfer, give or supply, directly or indirectly, any OPTIMUM SOYBEAN, any of its seed components, or any material directly or indirectly derived therefrom (other than the OPTIMUM GRAIN) to any party for any purpose; and/or
- 4. GROWER may not use the OPTIMUM SOYBEANS, the OPTIMUM GRAIN or any material directly or indirectly derived therefrom for any purpose other than to grow and deliver the OPTIMUM GRAIN as expressly provided in this Agreement including, but not limited to, export outside the United States except by sale to OPTIMUM or OPTIMUM's designee.

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### INDEPENDENT CONTRACTOR:

GROWER is, for purposes of this Agreement, an independent contractor and nothing contained in this Agreement shall make GROWER an employed or agent of OPTIMUM or authorize him/her to act on behalf of OPTIMUM. GROWER shall indemnify and hold OPTIMUM harmless from all claims in any way connected directly or indirectly with GROWER'S operations pursuant to this Agreement.

## DISCLAIMER OF WARRANTY AND LIMITATION OF DAMAGES:

OPTIMUM MAKES NO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER EXPRESS OR IMPLIED WARRANTY. NO CLAIM OF ANY KIND, WHETHER OR NOT BASED ON NEGLIGENCE, SHALL BE GREATER IN AMOUNT THAN THE VALUE OF COMMERCIAL SEED IN A QUANTITY COMPARABLE TO THAT QUANTITY OF SEED SUBJECT TO THIS AGREEMENT. NEITHER PARTY SHALL BE LIABLE FOR SPECIAL, CONSEQUENTIAL, OR INDIRECT DAMAGES WHETHER OR NOT CAUSED BY OR RESULTING FROM THE NEGLIGENCE OF SUCH PARTY.

#### MISCELLANEOUS:

This Agreement constitutes the complete and exclusive statement of the understanding between the parties and supersedes all prior and collateral representations, including the bailment contract between the puries with respect to the OPTIMUM SOYBEANS. Any alteration, modification, or amendment of the Agreement shall not be valid and binding unless in writing and signed by both parties. This Agreement shall bind parties hereto, their heirs, administrators, executors, successors, and assigns. If any term of this Agreement is held unenforceable or in conflict with any law of an applicable jurisdiction, it is the intention of the parties that the validity of the remaining terms not be affected by such holding and the remaining terms be construed and enforced to the fullest extent permissible under law. This Agreement shall be governed by Iowa law, without regard to conflict of law principles. OPTIMUM and GROWER agree that all disputes and differences arising between OPTIMUM and GROWER out of or relating in any way to this Agreement, the construction, meaning and operation, or effect of the Agreement, or breach thereof, shall be settled by arbitration in accordance with the rules and regulations of the National Grain and Feed Association pursuant to such Association's grain arbitration rules. OPTIMUM and GROWER agree that judgment may be enterted upon any arbitration award in any court of competent jurisdiction. Neither OPTIMUM nor the GROWER may assign this Agreement without prior written consent of the other party. Written notice to OPTIMUM shall be personal delivery or by postage paid letter addressed to Optimum Quality Grains, L.L.C., Att: Bill Nicholson, 4445 Corporate Drive, Suite 120, West Des Moines, IA 50266

GROWER	OPTIMUM QUALITY GRAINS, L.L.C.			
Bv:	Ву:			
By: Grower Signature				
Grower Name:	<u>.</u>			
Street of Box:				
	(_			
City, State, Zip Code, Phone				
LANDOWNER(S) Information (crop share only	<b>)</b> :			
LANDOWNER				
	_address/town	Landowner % share		
OPTIMUM® is a registered trademark of Optim	num Quality Grains, L.L.C.			

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